

Before the
Senate Subcommittee on
Communications
of the Commerce, Science, and Transportation
Committee
Hearing on
Privacy on the Internet

July 27, 1999

Testimony of Ms. Christine Varney
on Behalf of
the Online Privacy Alliance

The Internet is poised to become an explosive economic growth opportunity that will redefine global commerce in the information age. That growth cannot and will not occur without consumer confidence. Privacy is one of the cornerstones of consumer confidence in the Internet.

Last year numerous companies and associations came together to create policies and practices that can make privacy a reality for everyone on the Internet. These companies and associations, the Online Privacy Alliance, are pleased to submit the attached documents. First is the Mission Statement describing the goals of the Online Privacy Alliance, second are the Guidelines for Privacy Policies that will be adopted by all Online Privacy Alliance members, third are the Principles for Children's Online Activities, and fourth are the Guidelines for Effective Enforcement of Self-Regulation.

The Online Privacy Alliance has worked diligently to come up with policies that can be applied across many industry sectors. These guidelines, principles and statements reflect not only a deep commitment to online privacy, but also new policies which the Online Privacy Alliance members support. First, the Online Privacy Alliance believes that when there is use or distribution of individually identifiable information for purposes unrelated to that for which it was collected, individuals should be given the opportunity to opt out of such unrelated use or distribution. Second, the Online Privacy Alliance members believe that sites targeted at children under 13 should not engage in the collection and maintenance of information from children without prior parental consent. Finally, the Online Privacy Alliance members believe that self-regulation requires robust enforcement and they are committed to ensuring such.

Over the past year the OPA has worked to expand the adoption of effective online privacy policies by organizations doing business online. Clearly, the recent Georgetown Internet Privacy Policy Study ("the Georgetown Privacy Study") indicates that significant progress has been made in safeguarding privacy online. The fact that close to 66 percent of sites in the sample posted a privacy disclosure demonstrates that adoption and disclosure of privacy policies is becoming the norm on the Internet. Last year, the FTC reported that only 14 percent of Web sites notified consumers about their privacy policies. Although the universe from which the survey samples are drawn differ, it is very clear that there has been enormous progress.

The OPA and its supporting organizations will continue to work to ensure that effective online privacy practices are adopted and implemented among the private sector. In particular, we will be focusing on continuing outreach through business and consumer education, while increasing awareness of various privacy assurance programs. The Georgetown Privacy Study will serve as a road map to help us ensure that robust privacy practices are the norm online. It has been a pleasure working with this group and I look forward to continuing to work with the Online Privacy Alliance to build consumer confidence in the Internet.

Table of Contents

Online Privacy Alliance Materials

OPA Mission Statement and Membership Pledge
Guidelines for Online Privacy Policies
Principles for Children's Online Activities
Effective Enforcement of Self-Regulation
Online Privacy Alliance Association Policy

**Executive Summary of the Georgetown Internet Privacy Policy Survey
Conducted by Professor Mary J. Culnan.**

**Executive Summary of the OPA Privacy Policy Survey of the Top 100
Web Sites Conducted by Professor Mary J. Culnan.**

**Privacy Initiatives by Private Sector: A partial review of steps which
OPA Supporters have done to help foster consumer confidence by
protecting personal privacy in cyberspace.**

**A Quick Guide to Helpful Tips and Technical Tools for safeguarding
your privacy online.**



online privacy alliance

**An alliance of global companies & associations
committed to promoting privacy online.**

Committed Organizations, May 27, 1999

Companies

3Com
Acxiom
AdForce
America Online, Inc.
Ameritech
Apple Computer
AT&T
Bank of America
Bell Atlantic
Bell South
Centraal Corporation
Cisco
CommTouch Software
Compaq
Dell
Disney
Dun & Bradstreet
DoubleClick Inc.
eBay Inc.
Eastman Kodak, Co.
EDS
EDventure Holdings, Inc.
E-LOAN
Engage Technologies Inc.
Equifax
Ernst and Young
Experian
Fast Forward/IAB
Ford
Gateway
GeoCities
Hewlett-Packard
IBM
InsWeb Corporation
INSUREtrust.com LLC
Intel Corp
Intuit
KPMG
LEXIS-NEXIS
MatchLogic
MCI WorldCom
Microsoft
MindSpring Enterprises, Inc.

National Foundation for Consumer Credit
NCR
Nestle' USA
Netscape
NORTEL
Novell
northpole.com. LLC
Oracle
Preview Travel
PricewaterhouseCoopers
PrivaSeek, Inc.
Procter & Gamble
Rights Exchange, Inc.
Sun Microsystems
Time Warner Inc.
Unilever United States, Inc.
Viacom
ViewCall Canada, Inc.
Virtual Vineyards
WebConnect
Women.com Networks
Xerox
Yahoo!

Associations

American Advertising Federation
American Electronics Association
American Institute of Certified Public Accountants
Association of Online Professionals
Business Software Alliance
CASIE (CASIE is representing Association of National Advertisers & American Association of Advertising Agencies)
Computer Systems Policy Project (CSPP)
Council of Growing Companies
Direct Marketing Association
European-American Business Council
Individual Reference Services Group
Information Technology Association of America
Information Technology Industry Council
Interactive Digital Software Association
Interactive Travel Services Association (ITSA)

Internet Alliance
Motion Picture Association of America
Software & Information Industry
Association
The United States Council for
International Business
The United States Chamber of
Commerce



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These guidelines are not intended to apply to proprietary, publicly available or public record information, nor to supersede obligations imposed by statute, regulation or legal process.

Other valuable resources available to Alliance members in the development of privacy policies include: the OECD's "Guidelines on the Protection of Privacy and Transborder Flows of Personal Data"; the U.S. Department of Commerce's "Staff Discussion Paper of Privacy Self-Regulation"; and various industry association programs.



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Other Materials

Executive Summary of the Georgetown Internet Privacy Policy Survey Conducted by Professor Mary J. Culnan.

See http://www.privacyalliance.org/resources/gipps_summary.shtml

Executive Summary of the OPA Privacy Policy Survey of the Top 100 Web Sites Conducted by Professor Mary J. Culnan.

See http://www.privacyalliance.org/resources/100_summary.shtml

Privacy Initiatives by Private Sector: A partial review of steps which OPA Supporters have done to help foster consumer confidence by protecting personal privacy in cyberspace.

See <http://www.privacyalliance.org/resources/privinit.shtml>

A Quick Guide to Helpful Tips and Technical Tools for safeguarding your privacy online.

See <http://www.privacyalliance.org/resources/rulesntools.shtml>